

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	19364	Agenda Number	14.
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Meeting Date:	10/11/2012	Department:	Austin Convention Center
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Subject

Approve the ratification of payment to the Texas Comptroller of Public Accounts under an Event Trust Funds Use Agreement with USA Football in an amount of \$81,797.

Amount and Source of Funding

Funding in the amount of \$81,797 is available in the Fiscal Year 2012-2013 Approved Operating Budget of the Austin Convention Center Department.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Darin Upchurch, Assistant Director, Austin Convention Center Dept., 404-4045; Leela Fireside, City Attorney, 974-2163; Taja Beekley, Executive Assistant, City Manager's Office, 974-2611
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

In 2009, the Texas State Legislature established the Events Trust Fund (Fund) program to assist local entities in competing against other states to attract a variety of major events in order to increase tourism and generate economic activity. A Fund is created through a combination of State and City tax dollars to be used for expenses incurred by the event organizer relating to the event. By state statute, the Texas Comptroller deposits into the fund an amount equal to 6.25 times the amount of the local sales and use tax revenue and mixed beverage tax revenue retained and the hotel occupancy tax revenue remitted by an endorsing municipality.

The Assistant City Manager's Office submitted a request to the Texas Comptroller of Public Accounts for a determination on whether the 2012 International Federation of American Football (IFAF) U19 World Championship, Six Nations Cup; International NFL Flag World Championships; and U.S. National Team Development Camp events would be eligible for establishment of an Event Trust Fund. USA Football, which serves as the U.S. representative to the IFAF, is a non-profit organization founded in 2002 and is the Official Youth Development partner of the

National Football League (NFL), National Football League Players Association (NFLPA) and all 32 NFL clubs. In its role as the national governing body, USA Football provides programs and resources to inspire participation and improve the quality of the sport domestically and internationally.

In January 2012, the Comptroller determined the proposed events were eligible and issued a letter to the City that the estimated incremental increase in tax revenue to the State of Texas was \$511,225 with a required local match of \$81,797, resulting in a total fund of \$593,022. In May 2012, the City entered into an Event Trust Fund Use Agreement or "event support contract" with the Austin Sports Commission (of the Austin Convention and Visitors Bureau), which serves as the local organizing committee, and USA Football. The Agreement requires each party to remit the necessary payments and reimbursement receipts to the Fund as established by the Comptroller.

The 2012 IFAF Championship events were held in Austin, Texas from June 21 through July 8, 2012. By law, the City has 90 days following the event to deposit its share of the funds into the Fund. After the City pays its share and all required receipts and documents are collected from the event organizer, the City will be reimbursed for the same amount. The deadline under the applicable statute for the City to remit its portion of this payment was October 5, 2012 or the Fund would not be created. Since this deadline could not be waived by the Comptroller, the City approved processing payment and is now seeking approval by Council for ratification.